For Immediate Release Contact: Tom Hoque (202) 453-2180 September 15, 2015 FY-15-17

TTB Accepts \$450,000 from MillerCoors, LLC to Settle Violations of the Federal **Alcohol Administration Act**

Washington, D.C. — The Alcohol and Tobacco Tax and Trade Bureau (TTB) has accepted a \$450,000 offer in compromise from MillerCoors, LLC for alleged violations of the trade practice provisions of the Federal Alcohol Administration (FAA) Act.

The allegations of trade practice violations stem from MillerCoors' Miller Fortune Buy-Back Program in which MillerCoors guaranteed participating wholesalers/distributors that it would buy back Miller Fortune product that did not sell and went out of code if the wholesalers/distributors fulfilled certain executional standards which included distribution, speed to market, and forecasting/ordering compliance. The Bureau alleges that MillerCoors' violations of the Consignment Sales provisions of the FAA Act resulted in 1,484,792 cases being sold to its wholesalers/distributors located in states with similar state laws.

Under the Consignment Sales provisions of the FAA Act, it is unlawful for an industry member to sell or for any trade buyer to purchase alcohol beverage products with the privilege of return. Furthermore, TTB Ruling 2012-4, Freshness Dating and Allowable Returns of Malt Beverages under the FAA Act, was issued to address the very type of program arrangement that MillerCoors allegedly engaged in.

TTB is committed to enforcing the trade practice provisions of the FAA Act so that the beverage alcohol marketplace remains fair and competitive.

Please visit www.ttb.gov for additional information on prohibited trade practices or to see this and other offers in compromise that have been accepted.

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